



TEXAS DEPARTMENT OF INSURANCE

Division of Workers' Compensation - Medical Fee Dispute Resolution (MS-48)

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MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

GENERAL INFORMATION

Requestor Name

PAIN & RECOVERY CLINIC

Respondent Name

AMERICAN ZURICH INSURANCE CO

MFDR Tracking Number

M4-15-3785-01

Carrier's Austin Representative

Box Number 19

MFDR Date Received

JULY 20, 2015

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "The services were AUTHORIZED by the precertification department of Broadspire upon peer review and are are not subject to retrospective review which clearly violates Texas Labor Code 134.600. We feel that our facility should be paid according to the fee schedule guidelines."

Amount in Dispute: \$2,188.80

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "The Carrier will stand on the denial of the charges made the basis of this medical dispute. There is an existing and ongoing dispute on the extent of compensable injury. This case is moving to a contested case hearing on the issue of extent. The treatment made the basis of this dispute was not medically necessary for the injuries in dispute. I refer you to the report of the designated doctor, Dr. Scott Harrell, D.C. he states that there was no ODG recommended treatment performed after this date (February 4, 2014) for the accepted diagnoses."

Response Submitted by: Pappas & Suchma, P.C.

SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
August 18, 2014 through October 29, 2014	97140, 97110, 97112 and 97014-GP	\$2,188.80	\$1,661.88

FINDINGS AND DECISION

This medical fee dispute is decided pursuant to Texas Labor Code §413.031 and applicable rules of the Texas Department of Insurance, Division of Workers' Compensation.

Background

1. 28 Texas Administrative Code §133.307 sets out the procedures for resolving medical fee disputes.
2. 28 Texas Administrative Code §134.600 sets out the guidelines for Preauthorization, Concurrent Utilization Review, and Voluntary Certification of Health Care.
3. 28 Texas Administrative Code §134.203 sets out the Medical Fee Guideline for Professional Services provided on or after March 1, 2008.
4. 28 Texas Administrative Code §133.240, sets out the guidelines for Medical Payments and Denials.
5. The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
 - D51 – Unnecessary treatment based on peer review.
 - V – Unnecessary Treatment (W/Peer Review)
 - W3 – In accordance with TDI-DWC Rule 134.804. This bill has been identified as a request for reconsideration or appeal.
 - D00 – Based on further review, no additional allowance is warranted.
 - 18 – Exact duplicate claim/service.
 - 24 – Duplicate charge.
 - A99 – Appeal/reconsideration has been received and is currently being reviewed under original bill.
 - W1 – Workers' Compensation Jurisdictional fee schedule adjustment.

Issues

1. Did the insurance carrier raise the issue of CEL during the bill review process?
2. Did the requestor obtain preauthorization for the disputed services?
3. Did the requestor bill for the disputed services in accordance with 28 Texas Administrative Code §134.203?
4. Is the requestor entitled to additional reimbursement?

Findings

1. The insurance carrier in their position summary states in pertinent part, "There is an existing and ongoing dispute on the extent of compensable injury. This case is moving to a contested case hearing on the issue of extent."

To determine whether such an extent-of-injury or related dispute existed at the time any particular medical fee dispute was filed with the Division and whether it was related to the same service, the applicable former version of 28 Tex. Admin. Code § 133.240(e), (e)(1), (2) (C), and (g) addressed actions that the insurance carrier was required to take, during the medical bill review process, when the insurance carrier determined that the medical service was not related to the compensable injury: 31 TexReg 3544, 3558 (April 28, 2006).

Those provisions, in pertinent parts, specified: Former 133.240(e), (e) (1), (2) (C), and (g): The insurance carrier shall send the explanation of benefits in the form and manner prescribed by the Division.... The explanation of benefits shall be sent to: (1) the health care provider when the insurance carrier makes payment or denies payment on a medical bill; and (2) the injured employee when payment is denied because the health care was ... (C) unrelated to the compensable injury, in accordance with § 124.2 of this title... (g) An insurance carrier shall have filed, or shall concurrently file, the applicable notice required by Labor Code § 409.021, and § 124.2 and 124.3 of this title ... if the insurance carrier reduces or denies payment for health care provided based solely on the insurance carrier's belief that: (3) the condition for which the health care was provided was not related to the compensable injury.

The Division finds that the carrier failed to raise the issue of extent-of-injury in accordance with the DWC rules for disputed CPT Code's 97140, 97110, 97112 and 97014-GP rendered on August 18, 2014 through October 29, 2014. Therefore, the insurance carrier has waived the issue of extent-of-injury. As a result, MFDR has jurisdiction over the disputed issues, pursuant to Texas Labor Code 413.031.

2. The insurance carrier denied disputed services with claim adjustment reason code D51 – “Unnecessary treatment based on peer review” and “V – Unnecessary Treatment (W/Peer Review).”

28 Texas Administrative Code §134.600 states in pertinent part “(p) Non-emergency health care requiring preauthorization includes... (5) physical and occupational therapy services, which includes those services listed in the Healthcare Common Procedure Coding System (HCPCS)...”

28 Texas Administrative Code §134.600 states in pertinent part, “(c) The insurance carrier is liable for all reasonable and necessary medical costs relating to the health care: (1) listed in subsection (p) or (q) of this section only when the following situations occur... (B) preauthorization of any health care listed in subsection (p) of this section that was approved prior to providing the health care.”

28 Texas Administrative Code §133.240 states in pertinent part, “(b) For health care provided to injured employees not subject to a workers' compensation health care network established under Insurance Code Chapter 1305, the insurance carrier shall not deny reimbursement based on medical necessity for health care preauthorized or voluntarily certified under Chapter 134 of this title (relating to Benefits--Guidelines for Medical Services, Charges, and Payments).”

Review of the preauthorization letter dated, October 14, 2014 issued by Broadspire A Crawford Company documents the following:

Treatment Requested	12 Initial Physical Therapy Visits for the [injury], 3 times a week for 4 weeks, as an outpatient
Determination	Recommend prospective request for 12 Initial Physical Therapy Visits for the [injury], 3 times a week for 4 weeks, as an outpatient
Certified	Between 7/16/2014 and 11/14/2014
Preauthorization letter states in part, “It appears that 12 sessions of physical therapy three times a week for four weeks would be medically reasonable and necessary...”	

The requestor seeks reimbursement for physical therapy services rendered on August 18, 2014 through October 29, 2014, rendered within the preauthorized timeframe indicated in the preauthorization letter. The insurance carrier’s denial reason is therefore not supported and the disputed services are therefore reviewed pursuant to the applicable Division rules and fee guidelines.

3. 28 Texas Administrative Code §134.203 “(b) For coding, billing, reporting, and reimbursement of professional medical services, Texas workers' compensation system participants shall apply the following: (1) Medicare payment policies, including its coding; billing; correct coding initiatives (CCI) edits; modifiers; bonus payments for health professional shortage areas (HPSAs) and physician scarcity areas (PSAs); and other payment policies in effect on the date a service is provided with any additions or exceptions in the rules.”

The Division completed NCCI edits to identify potential edit conflicts that would affect reimbursement. The following was identified for CPT Codes CPT Codes, 97110, 97140, 97112 and 97014-GP billed on August 18, 2014, September 4, 2014, October 22, 2014, October 23, 2014, October 27, 2014 and October 29, 2014.

The requestor billed CPT code 97014-GP -- electrical stimulation unattended. Per Medicare, MLN Matters #: MM3683, April 1, 2005, CPT Code 97014 was replaced with HCPCS Level II Code G0283. As a result, the requestor is not entitled to reimbursement for this code per 28 Texas Administrative Code 134.203 (b) (1).

No NCCI edits were identified for CPT Codes 97110, 97140 and 97112 for dates of service August 18, 2014 through October 29, 2014; as a result, reimbursement is calculated per the applicable rules and guidelines.

Per Medicare’s Pub 100-20, One-Time Notification Transmittal 826, “For therapy services furnished by a group practice or “incident to” a physician’s service, the MPPR applies to all services furnished to a patient on the same day, regardless of whether the services are provided in one therapy discipline or multiple disciplines, for example, physical therapy, occupational

therapy, or speech-language pathology. The reduction applies to the HCPCS codes contained on the list of “always therapy” services that are paid under the physician fee schedule, regardless of the type of provider or supplier that furnishes the services (e.g. hospitals, home health agencies, and comprehensive outpatient rehabilitation facilities (CORFs), etc.) The MPPR applies to the procedures in Attachment 1. Note that these services are paid with a non-facility PE. The current and proposed payments are summarized below in the following example for services furnished in an institutional setting (Note: for office and other non-institutional settings, the reduction percentage is 20 percent).”

The following CPT Codes 97110, 97112 and 97140 are identified on Medicare’s “List of Therapy Procedures Subject to the Multiple Procedure Payment Reduction,” as a result the multiple procedure payment reduction applies to the disputed services. Payment is calculated based on the Medicare payment policies, in accordance with 28 Texas Administrative Code §134.203.

4. The Division finds that the requestor is entitled to reimbursement for the following services:
- Procedure code 97110, service date August 18, 2014, represents a professional service with reimbursement determined per §134.203(c). The Medicare fee is the sum of the geographically adjusted work, practice expense and malpractice values multiplied by the conversion factor. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 0.45 multiplied by the geographic practice cost index (GPCI) for work of 1.014 is 0.4563. The practice expense (PE) RVU of 0.44 multiplied by the PE GPCI of 1.004 is 0.44176. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.939 is 0.00939. The sum of 0.90745 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$50.59. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is reduced by 50% of the practice expense. This procedure does not have the highest PE for this date. The PE reduced rate is \$38.28 at 4 units is \$153.12.
 - Procedure code 97140, service date August 18, 2014, represents a professional service with reimbursement determined per §134.203(c). The Medicare fee is the sum of the geographically adjusted work, practice expense and malpractice values multiplied by the conversion factor. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 0.43 multiplied by the geographic practice cost index (GPCI) for work of 1.014 is 0.43602. The practice expense (PE) RVU of 0.4 multiplied by the PE GPCI of 1.004 is 0.4016. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.939 is 0.00939. The sum of 0.84701 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$47.22. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is reduced by 50% of the practice expense. This procedure does not have the highest PE for this date. The PE reduced rate is \$36.03 at 2 units is \$72.06.
 - Procedure code 97112, service date August 18, 2014, represents a professional service with reimbursement determined per §134.203(c). The Medicare fee is the sum of the geographically adjusted work, practice expense and malpractice values multiplied by the conversion factor. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 0.45 multiplied by the geographic practice cost index (GPCI) for work of 1.014 is 0.4563. The practice expense (PE) RVU of 0.48 multiplied by the PE GPCI of 1.004 is 0.48192. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.939 is 0.00939. The sum of 0.94761 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$52.83. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is reduced by 50% of the practice expense. This procedure has the highest PE for this date. The first unit is paid at \$52.83. Per §134.203(h), reimbursement is the lesser of the MAR or the provider's usual and customary charge. The lesser amount is \$51.80.

- Procedure code 97110, service date September 4, 2014, represents a professional service with reimbursement determined per §134.203(c). The Medicare fee is the sum of the geographically adjusted work, practice expense and malpractice values multiplied by the conversion factor. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 0.45 multiplied by the geographic practice cost index (GPCI) for work of 1.014 is 0.4563. The practice expense (PE) RVU of 0.44 multiplied by the PE GPCI of 1.004 is 0.44176. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.939 is 0.00939. The sum of 0.90745 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$50.59. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is reduced by 50% of the practice expense. This procedure does not have the highest PE for this date. The PE reduced rate is \$38.28 at 4 units is \$153.12.
- Procedure code 97140, service date September 4, 2014, represents a professional service with reimbursement determined per §134.203(c). The Medicare fee is the sum of the geographically adjusted work, practice expense and malpractice values multiplied by the conversion factor. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 0.43 multiplied by the geographic practice cost index (GPCI) for work of 1.014 is 0.43602. The practice expense (PE) RVU of 0.4 multiplied by the PE GPCI of 1.004 is 0.4016. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.939 is 0.00939. The sum of 0.84701 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$47.22. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is reduced by 50% of the practice expense. This procedure does not have the highest PE for this date. The PE reduced rate is \$36.03 at 2 units is \$72.06.
- Procedure code 97112, service date September 4, 2014, represents a professional service with reimbursement determined per §134.203(c). The Medicare fee is the sum of the geographically adjusted work, practice expense and malpractice values multiplied by the conversion factor. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 0.45 multiplied by the geographic practice cost index (GPCI) for work of 1.014 is 0.4563. The practice expense (PE) RVU of 0.48 multiplied by the PE GPCI of 1.004 is 0.48192. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.939 is 0.00939. The sum of 0.94761 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$52.83. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is reduced by 50% of the practice expense. This procedure has the highest PE for this date. The first unit is paid at \$52.83. Per §134.203(h), reimbursement is the lesser of the MAR or the provider's usual and customary charge. The lesser amount is \$51.80.
- Procedure code 97110, service date October 22, 2014, represents a professional service with reimbursement determined per §134.203(c). The Medicare fee is the sum of the geographically adjusted work, practice expense and malpractice values multiplied by the conversion factor. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 0.45 multiplied by the geographic practice cost index (GPCI) for work of 1.014 is 0.4563. The practice expense (PE) RVU of 0.44 multiplied by the PE GPCI of 1.004 is 0.44176. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.939 is 0.00939. The sum of 0.90745 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$50.59. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is reduced by 50% of the practice expense. This procedure does not have the highest PE for this date. The PE reduced rate is \$38.28 at 4 units is \$153.12.

- Procedure code 97140, service date October 22, 2014, represents a professional service with reimbursement determined per §134.203(c). The Medicare fee is the sum of the geographically adjusted work, practice expense and malpractice values multiplied by the conversion factor. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 0.43 multiplied by the geographic practice cost index (GPCI) for work of 1.014 is 0.43602. The practice expense (PE) RVU of 0.4 multiplied by the PE GPCI of 1.004 is 0.4016. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.939 is 0.00939. The sum of 0.84701 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$47.22. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is reduced by 50% of the practice expense. This procedure does not have the highest PE for this date. The PE reduced rate is \$36.03 at 2 units is \$72.06.
- Procedure code 97112, service date October 22, 2014, represents a professional service with reimbursement determined per §134.203(c). The Medicare fee is the sum of the geographically adjusted work, practice expense and malpractice values multiplied by the conversion factor. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 0.45 multiplied by the geographic practice cost index (GPCI) for work of 1.014 is 0.4563. The practice expense (PE) RVU of 0.48 multiplied by the PE GPCI of 1.004 is 0.48192. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.939 is 0.00939. The sum of 0.94761 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$52.83. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is reduced by 50% of the practice expense. This procedure has the highest PE for this date. The first unit is paid at \$52.83. Per §134.203(h), reimbursement is the lesser of the MAR or the provider's usual and customary charge. The lesser amount is \$51.80.
- Procedure code 97110, service date October 23, 2014, represents a professional service with reimbursement determined per §134.203(c). The Medicare fee is the sum of the geographically adjusted work, practice expense and malpractice values multiplied by the conversion factor. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 0.45 multiplied by the geographic practice cost index (GPCI) for work of 1.014 is 0.4563. The practice expense (PE) RVU of 0.44 multiplied by the PE GPCI of 1.004 is 0.44176. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.939 is 0.00939. The sum of 0.90745 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$50.59. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is reduced by 50% of the practice expense. This procedure does not have the highest PE for this date. The PE reduced rate is \$38.28 at 4 units is \$153.12.
- Procedure code 97140, service date October 23, 2014, represents a professional service with reimbursement determined per §134.203(c). The Medicare fee is the sum of the geographically adjusted work, practice expense and malpractice values multiplied by the conversion factor. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 0.43 multiplied by the geographic practice cost index (GPCI) for work of 1.014 is 0.43602. The practice expense (PE) RVU of 0.4 multiplied by the PE GPCI of 1.004 is 0.4016. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.939 is 0.00939. The sum of 0.84701 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$47.22. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is reduced by 50% of the practice expense. This procedure does not have the highest PE for this date. The PE reduced rate is \$36.03 at 2 units is \$72.06.

- Procedure code 97112, service date October 23, 2014, represents a professional service with reimbursement determined per §134.203(c). The Medicare fee is the sum of the geographically adjusted work, practice expense and malpractice values multiplied by the conversion factor. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 0.45 multiplied by the geographic practice cost index (GPCI) for work of 1.014 is 0.4563. The practice expense (PE) RVU of 0.48 multiplied by the PE GPCI of 1.004 is 0.48192. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.939 is 0.00939. The sum of 0.94761 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$52.83. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is reduced by 50% of the practice expense. This procedure has the highest PE for this date. The first unit is paid at \$52.83. Per §134.203(h), reimbursement is the lesser of the MAR or the provider's usual and customary charge. The lesser amount is \$51.80.
- Procedure code 97110, service date October 27, 2014, represents a professional service with reimbursement determined per §134.203(c). The Medicare fee is the sum of the geographically adjusted work, practice expense and malpractice values multiplied by the conversion factor. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 0.45 multiplied by the geographic practice cost index (GPCI) for work of 1.014 is 0.4563. The practice expense (PE) RVU of 0.44 multiplied by the PE GPCI of 1.004 is 0.44176. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.939 is 0.00939. The sum of 0.90745 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$50.59. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is reduced by 50% of the practice expense. This procedure does not have the highest PE for this date. The PE reduced rate is \$38.28 at 4 units is \$153.12.
- Procedure code 97140, service date October 27, 2014, represents a professional service with reimbursement determined per §134.203(c). The Medicare fee is the sum of the geographically adjusted work, practice expense and malpractice values multiplied by the conversion factor. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 0.43 multiplied by the geographic practice cost index (GPCI) for work of 1.014 is 0.43602. The practice expense (PE) RVU of 0.4 multiplied by the PE GPCI of 1.004 is 0.4016. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.939 is 0.00939. The sum of 0.84701 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$47.22. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is reduced by 50% of the practice expense. This procedure does not have the highest PE for this date. The PE reduced rate is \$36.03 at 2 units is \$72.06.
- Procedure code 97112, service date October 27, 2014, represents a professional service with reimbursement determined per §134.203(c). The Medicare fee is the sum of the geographically adjusted work, practice expense and malpractice values multiplied by the conversion factor. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 0.45 multiplied by the geographic practice cost index (GPCI) for work of 1.014 is 0.4563. The practice expense (PE) RVU of 0.48 multiplied by the PE GPCI of 1.004 is 0.48192. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.939 is 0.00939. The sum of 0.94761 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$52.83. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is reduced by 50% of the practice expense. This procedure has the highest PE for this date. The first unit is paid at \$52.83. Per §134.203(h), reimbursement is the lesser of the MAR or the provider's usual and customary charge. The lesser amount is \$51.80.

- Procedure code 97110, service date October 29, 2014, represents a professional service with reimbursement determined per §134.203(c). The Medicare fee is the sum of the geographically adjusted work, practice expense and malpractice values multiplied by the conversion factor. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 0.45 multiplied by the geographic practice cost index (GPCI) for work of 1.014 is 0.4563. The practice expense (PE) RVU of 0.44 multiplied by the PE GPCI of 1.004 is 0.44176. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.939 is 0.00939. The sum of 0.90745 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$50.59. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is reduced by 50% of the practice expense. This procedure does not have the highest PE for this date. The PE reduced rate is \$38.28 at 4 units is \$153.12.
- Procedure code 97140, service date October 29, 2014, represents a professional service with reimbursement determined per §134.203(c). The Medicare fee is the sum of the geographically adjusted work, practice expense and malpractice values multiplied by the conversion factor. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 0.43 multiplied by the geographic practice cost index (GPCI) for work of 1.014 is 0.43602. The practice expense (PE) RVU of 0.4 multiplied by the PE GPCI of 1.004 is 0.4016. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.939 is 0.00939. The sum of 0.84701 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$47.22. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is reduced by 50% of the practice expense. This procedure does not have the highest PE for this date. The PE reduced rate is \$36.03 at 2 units is \$72.06.
- Procedure code 97112, service date October 29, 2014, represents a professional service with reimbursement determined per §134.203(c). The Medicare fee is the sum of the geographically adjusted work, practice expense and malpractice values multiplied by the conversion factor. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 0.45 multiplied by the geographic practice cost index (GPCI) for work of 1.014 is 0.4563. The practice expense (PE) RVU of 0.48 multiplied by the PE GPCI of 1.004 is 0.48192. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.939 is 0.00939. The sum of 0.94761 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$52.83. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is reduced by 50% of the practice expense. This procedure has the highest PE for this date. The first unit is paid at \$52.83. Per §134.203(h), reimbursement is the lesser of the MAR or the provider's usual and customary charge. The lesser amount is \$51.80.

The Division finds that the requestor is entitled to a total reimbursement in the amount of \$1,661.88 for CPT Codes 97110, 97140 and 97112 rendered on August 18, 2014, September 4, 2014, October 22, 2014, October 23, 2014, October 27, 2014 and October 29, 2014.

Conclusion

For the reasons stated above, the Division finds that the requestor has established that additional reimbursement is due. As a result, the amount ordered is \$1,661.88.

ORDER

Based upon the documentation submitted by the parties and in accordance with the provisions of Texas Labor Code Sections 413.031 and 413.019 (if applicable), the Division has determined that the requestor is entitled to additional reimbursement for the services involved in this dispute. The Division hereby ORDERS the respondent to remit to the requestor the amount of \$1,661.88 plus applicable accrued interest per 28 Texas Administrative Code §134.130, due within 30 days of receipt of this Order.

Authorized Signature

_____	_____	November 20, 2015
Signature	Medical Fee Dispute Resolution Officer	Date

YOUR RIGHT TO APPEAL

Either party to this medical fee dispute has a right to seek review of this decision in accordance with 28 Texas Administrative Code §133.307, 37 *Texas Register* 3833, applicable to disputes filed on or after June 1, 2012.

A party seeking review must submit a **Request to Schedule a Benefit Review Conference to Appeal a Medical Fee Dispute Decision** (form **DWC045M**) in accordance with the instructions on the form. The request must be received by the Division within **twenty** days of your receipt of this decision. The request may be faxed, mailed or personally delivered to the Division using the contact information listed on the form or to the field office handling the claim.

The party seeking review of the MFDR decision shall deliver a copy of the request to all other parties involved in the dispute at the same time the request is filed with the Division. **Please include a copy of the *Medical Fee Dispute Resolution Findings and Decision*** together with any other required information specified in 28 Texas Administrative Code §141.1(d).

Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.